

# WELL-KNOWN AND REPUTED TRADEMARK (OR FAMOUS TRADEMARKS)

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## Abstract

*According to the degree of awareness by the relevant public of the goods and/or services which they identify and whose commercial origin they guarantee, trademarks fall into two broad categories: (i) trademarks whose degree of awareness by the relevant public of the goods and/or services they cover is limited and which, without naming them as such, we consider as common trademarks, although their importance in trade cannot be minimised by this qualification and (ii) trademarks with a broad degree of awareness by consumers.*

*The latter in turn fall into two sub-categories; (a) well-known marks and (b) reputed marks, but the difference between them is not clear, is not taken into account and does not become important to the public until they realise that they are the victims of infringers, this being relevant only to applicants for registration of signs as marks and to proprietors of marks whether they are common or well-known. Whether they are well-known, when by registration they infringe the rights of others and/or when their rights are infringed, they are usurped by trademark usurpers of any kind.*

*But is there a difference between them? At first sight, no! And in any case, not for consumers. From a legal perspective, however, these are trademarks with legal regimes between which the differences are greater than the similarities.*

*But while the first founding Convention of industrial property law grants a special regime to well-known marks, even if it recognises a certain (limited) power of notoriety, this one, like the Agreement on Trade-Related Intellectual Property Rights (TRIPS), says nothing about well-known marks. Trademarks with an initial protection regime under common law and which, when they become well-known because of the quality of the goods or services they identify and the widespread awareness of the public concerned, enjoy a different protection regime from well-known trademarks and a much higher level of protection than common trademarks. This is why we are now trying to clarify the notions.*

**Keywords:** *common marks, well-known marks, marks with reputation or reputed marks, famous marks, similarities and differences between well-known and reputed marks, well-known marks regime, reputed marks regime, protection not conditional on registration, initial protection acquired by registration, extended protection acquired as a result of reputation.*

## 1. Introduction to the world of famous marks (well-known and reputed)

Try to imagine a world without marks. Without those marks that distinguish the same products and/or services offered in a marketplace of competing retailers, competing with each other and seeking to turn you into loyal customers in order to increase their profits. Signs without which you would randomly choose the product or service you want without being able to identify its commercial origin and without which the choice would be chaotic and without the possibility of knowing in advance whether the product or service meets your expectations. Signs without which traders would not be able to advertise to attract you and assure you of the consistent quality of their services or products. Signs which, apparently, affect the freedom of trade, but whose use is to the benefit of both consumers and traders, because, on the one hand, they help to improve the quality of the goods and/or services on offer and, on the other, anyone can use their own trade mark to identify their goods, as the signs available for use as trademarks are unlimited. It would undoubtedly not only be a dull world, but also one in which there would be no interest in competition and quality. Metaphorically it is said that in the absence of soul, products have marks. And that advertising is the soul of commerce, and advertising without marks is virtually impossible.

Faced with a shelf of products or a range of services identified by marks, only the first choice is difficult. For the second and subsequent choices, things are simpler and with the passage of time, of repeated purchases of goods or services, the choice becomes easier, because the one we made before and which is identifiable with the mark, will only be repeated if the product or service satisfies us, otherwise we continue to search and choose

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until one product or another, one service or another appeals to us enough to make us a regular consumer and a loyal customer of the trader who puts it on the market, offers it. We associate the product with the sign and both with the manufacturer, thus identifying its commercial origin. And when the audience won over by a marked product or service is large in number, the mark and through the mark and the product (which become confused with each other) becoming well known to the target audience it acquires the status of a well-known, reputed or famous mark. A status to which every mark has the right to aspire but which not all marks will achieve, the status of well-known or reputed mark being determined by the degree to which the target public is aware of the goods or services it identifies.

The consumer who is familiar with such marks and the goods or services they designate is, of course, indifferent to the adjective used for them (well-known, reputed, famous) because in common language they are synonymous, equivalent, interchangeable. And indifferent to him is the fact that a sign used as a trade mark and which is well known to the consumer is registered or not with the competent authority (which is an important distinction between the two categories).

For the average consumer (who rarely has the opportunity to make a direct comparison between different marks, relying on an imperfect image which he keeps in his memory and whose attention varies according to the category of goods or services in question<sup>1</sup>) the only important thing is that the mark helps him in his choice, that through it he can identify the commercial origin of the product or service, that the mark gives him a guarantee of the quality of the product/service and the possibility to revise his choices when a product/service which he identifies by the mark does not (any more) meet his expectations. This is why there is often confusion between well-known marks and reputed marks, which are considered to be one and the same thing. And it is natural that this should be the case since the terms are synonymous.

However, the law and traders are not indifferent to the status of a well-known or reputed trademark. On the contrary. But confusion between the two categories of trade marks is also common in the world of law, made up of legislators, academics, legal professionals and jurisprudence and it is, we believe, the fault of the legal world that such confusion is not removed.

It also contributes to the confusion and the wording of art. 6 bis of the Paris Convention, according to which *„The countries of the Union (of Paris, n.n.) shall be obliged, either ex officio if the law of the country so permits, or at the request of the person concerned, to refuse or invalidate the registration and to prohibit the use of a trade mark which constitutes a confusing reproduction, imitation or translation of a trade mark which the competent authority of the country of registration or use shall consider to be well known as being already the trademark of a person entitled to the benefits of this Convention and as being used for identical or similar goods. The same shall apply where the essential part of the trade mark constitutes a reproduction of such a well-known trade mark or an imitation confusingly similar to it”*. It follows from a simple reading of this text (which today appears to us to be deficient) that the well-known mark could be registered or unregistered, but also that, whether registered or unregistered, the **well-known mark is subject to the principle of speciality**, which means that it can be opposed to the registration of new signs as marks only for goods which are identical or similar to those for which the well-known mark (whether registered or not) is already in use.

We believe that the quoted text of the Paris Convention is outdated today because in the European Union, through Directive (EU) no. 2436 of 16 December 2015 to approximate the laws of the Member States relating to trade marks, the level of protection of new and useful creations in industry is much higher than that of the Paris Convention (which otherwise only established rules on the minimum level of protection that Member States must ensure). Thus, the Directive (EU) 2436/2015: (i) established the protection of trade marks with reputation (reputed) about which the Paris Convention is silent, or perhaps (probably) considered them to be the same as well-known trademarks and (ii) under the regime established in EU law, marks of reputation enjoy protection going beyond the specialty of the registered trademark, which means that the trade mark of reputation actually enjoys extended protection. At the same time, the Directive, like the EU Trade Mark Regulation (EU) no. 1101/2017, regulates the regime for well-known marks only by a simple reference to art. 6 bis of the Paris Convention.

The point at which a sign becomes a trade mark (by registration or by simple use of a sign as a trade mark) and the point at which a trade mark goes beyond „common” to become „well-known”, „reputed” or „famous” is difficult to establish, as the boundary between the two categories (common or famous) is extremely thin, fine but also permeable and subjective. The mark, whichever category it belongs to, is aimed at the target audience for the products it identifies, for others they may be completely unknown. For example, the „Poiana” and/or „Toblerone” mark for chocolate is famous only to consumers of sweets and may be completely unknown to those for whom chocolate does not exist. The „DACIA” mark is famous to the Romanian public (even to those not

<sup>1</sup> N. Binctin, *Droit de la propriété intellectuelle*, LGDJ, 2010, p. 411.

interested in cars) and increasingly known to the public in Europe and even outside Europe (the recent stylisation of the „DACIA” mark also making the mark more attractive, not just the product identified by it, and this too much changed for the better both in appearance and performance). The „Harley Davidson” mark is famous to motorcycle enthusiasts but at best a common mark for those not interested in such a means of transport. However, it cannot be excluded that this mark is also well known to the public who do not like motorcycles in general or the motorcycle identified by the „Harley Davidson” mark in particular (heavy, noisy, not very easy to ride) but for the mark to be considered famous it is enough that it is well known to the target audience of the product/service.

We must, we believe, also admit, however, that any trademark has the vocation to increase its distinctiveness and become widely known and it is natural for trademarks to aspire to such a status, it is natural for trademark owners to offer quality products and thus promote the trademarks by which they identify themselves so that they become appreciated and widely known by the target public. And with that, they become famous and their protection goes beyond the specialty of registration in which common marks are protected.

## 2. Well-known and/or reputed mark? The inexcusable confusion

In common parlance, the terms „well-known marks” and „marks with a reputation” are used to designate signs which are used as marks to distinguish goods and/or services and which are well known, famous in a market for the goods/services they identify, the goods and services whose commercial origin they indicate. In other words, in common parlance, well-known marks and marks with a reputation are one and the same thing.

In trade mark law, the two are, however, distinct categories, even though both owe their legal regime (which is different from that of common law, but also from each other) to the same quality acquired over time, that of having become famous, well known to the public concerned/interested in the goods and/or services they cover and their quality. But although they are important categories in trademark law because they are also extremely valuable, and not just protected by special rules, they are not defined in either conventional or European Union law, and in national law only the well-known mark is defined, not the reputed mark.

However, in national law, it is possible to identify their (distinct) legal regimes from the content of the regulations, even if an analysis of the relevant legal acts leads to the conclusion that even at the conceptual level there is confusion between the two categories, while at the regulatory level there is a lack of clarity which increases the confusion and creates the false impression in legal life that well-known and reputed marks are one and the same thing. The confusion is maintained, if not increased, by the fact that in common parlance, there is synonymy between 'well-known' and 'reputed', both having the meaning of 'famous', so that the terms are, not infrequently, considered equivalent and interchangeable in law<sup>2</sup>.

The case law (not supported by doctrine on this point) does not make a clear distinction between well-known and reputed marks either, and there are judgments in which the notions of „well-known” and „reputed” are used as equivalent. However, since the legislator (whether conventional, European or national) establishes (admittedly, insufficiently clearly) different legal regimes for well-known marks and marks with a reputation, and not only in relation to the common law on trademarks, but also for each of the two categories separately, and since the case law (even if it is not unanimous) accepts that these different regimes exist, they are distinct categories, and on some aspects there is even antonymy between them, the first of which is the mode of appropriation: by occupation in the case of well-known marks, by registration in the case of well-known marks.

The doctrine, in trying to resolve the dilemma of the two types of marks, has not yet reached a unified view either, thus increasing confusion about them. Thus, while some authors consider well-known marks and reputed marks to be one and the same thing, others consider them to be similar, while others consider well-known marks and reputed marks to be different normative categories of marks with their own origins and purposes.

There are authors who consider that the notoriety of a trade mark is assessed solely on the basis of a quantitative criterion, namely the degree of awareness of the relevant public, *i.e.*, the public to which the product or service is addressed (chocolate consumers, dairy product consumers, computer users, etc.), whereas the reputation of a trade mark would be analysed solely on the basis of a qualitative criterion, the reputed trade mark being one whose fame is due to the exceptional quality of the goods and/or services it covers.

Other authors, using a so-called hierarchy criterion, consider that the difference between the two marks is due to the higher (superior) level of knowledge of one of the two types of marks, but without being decided on the order in this hierarchy, because while some authors consider that the reputed mark is better known and superior to the well-known mark, others consider that the well-known mark, in order to qualify as such, must be better known to the public than the reputed mark.

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<sup>2</sup> A.R. Bertrand, *Droits des marques, signes distinctifs - noms de domaine*, Dalloz, 2005, p. 101.

However, another theory, called egalitarian, argues that it is not the degree of knowledge that makes the difference between a well-known and a reputed trademark, but the fact that the reputed trademark is famous and registered, while the well-known trademark is famous without being registered. In other words, the difference between the two types of trademarks is only given by a formal criterion (registration or non-registration), but the fulfilment of this criterion is not without profound significance for the legal regime. On the contrary! The degree of fame of the two types of marks is assessed in the same way and it would be difficult to imagine that a higher level of fame would be required of a registered mark in order to give it the same level of protection as a well-known non-registered mark.

The conclusion to be drawn from the distinct legal regimes is that there is no synonymy in law between well-known and reputed trademarks and that a trademark cannot be a well-known and/or a reputed trademark at the same time. A well-known mark can change its status at the will of the proprietor, acquiring, upon registration, the status of a mark with a reputation, but it is less likely that a reputed mark will become a well-known mark, although, in principle, the use of a mark with a reputation after the expiry of the protection conferred by registration as a well-known mark cannot be excluded altogether.

However, it does not seem acceptable and possible to use as a reputed mark as a well-known mark whose registration has been cancelled on grounds of being contrary to public policy and/or morality, but the rights of free expression and opinion through the use of such a mark could not be limited by prohibiting the use of a sign/mark for which a decision has been taken to cancel it, especially when the sign is protected by another right (e.g., copyright).

The difference between a reputed and a well-known mark, which is irrelevant to consumers who are captivated by the celebrity of the mark and the quality of the goods and/or services it covers and in which they are interested, and not by their formal aspects, it is, however, relevant and important for the proprietors of trade marks claiming notoriety and/or reputation and their specific protection and for competitors of the proprietors of such marks (interested in proving the lack of special treatment and the right to extended protection by contesting the notoriety or reputation) and for the authorities responsible for the administration and protection of industrial property rights who are called upon to decide whether or not a sign used as an unregistered trade mark is a well-known or reputed trade mark and whether or not it enjoys protection beyond the principle of the common trade mark, that is to say, extended protection for all classes of goods and services, and not only for those for which the well-known or, where appropriate, reputed trade mark is used, and what are the means of their legal protection.

Conclusion:

- well-known marks and reputed marks are famous marks that are widely known by the public targeted by the goods and/or services they cover;
- notoriety, fame (celebrity) is acquired over time, thanks to the high quality, appreciated and well-known goods and/or services covered by the two categories of marks, knowledge and appreciation which is translated into the volume of sales and which is also due to the result of the publicity given to the marks and the goods/services covered by them;
- well-known marks are protected independently of their registration, while reputed marks are registered trademarks, the original registration covering only the goods and services for which the original registration was applied for and allowed, while the reputation, acquired over time, also gives them extended protection;
- notoriety and reputation, which are earned over time, mainly on account of the quality of the goods and/or services covered by them and the publicity given to them, are matters of fact which must be proved by the person claiming them and are assessed by the judge;
- the protection of well-known trademarks may be invoked against third parties but only for signs which are identical with, or similar to, the well-known trade mark or which reproduce or imitate in their essential parts elements of the well-known trade mark and for identical or similar goods, where the use of the later trade mark gives rise to a likelihood of confusion and/or association with the well-known trade mark;
- the trade mark with a reputation enjoys extended protection, for all classes of goods and services (going beyond the limits of the principle of speciality), irrespective of whether the goods and/or services covered by the later mark are identical, similar or dissimilar to those covered by the trade mark with a reputation and irrespective of whether there is a likelihood of confusion, but only if registration and/or use, without due cause, of a sign identical or similar to the trade mark with a reputation would give rise to unfair advantage to the user by reason of the distinctive character or the repute of the trade mark or would be detrimental to the repute of the earlier trade mark;
- both well-known and reputed trademarks may be opposed to the registration of an identical or similar sign as a trade mark by a third party and in an action for cancellation of registration on this basis, but the proprietors of such trademarks must prove their well-known and/or, where appropriate, the reputation;

- in the case of both an opposition and an action for cancellation, the proprietor of the well-known mark is also required to prove a likelihood of confusion and association, whereas the proprietor of the mark with a reputation enjoys extended protection even in the absence of likelihood of confusion or association of the later mark with the mark with a reputation;
- the proprietor of a trade mark with a reputation has at his disposal for the purpose of defending his rights also an action for infringement, to which he may, where appropriate, also associate an action for unfair competition, whereas the proprietor of a trade mark with a reputation only has at his disposal an action for unfair competition;
- both reputed and well-known trademarks can lose their fame or degenerate, but revocation for lack of use, degeneration or deceptiveness can only be claimed and allowed in the case of reputed trademarks and not in the case of well-known trademarks;
- a well-known mark enjoys protection in perpetuity if it retains its own attributes, while a reputed mark is protected within the limits of the term for which protection is conferred by registration, *i.e.*, following renewal of registration (limited in duration but not in the number of renewals), at the end of the term of protection the sign of which the well-known mark is composed enters the public domain.

### 3. The well-known mark

**A well-known mark** is a mark which is not registered and which is widely known within the segment of the public targeted by/interested in the goods and/or services to which it applies. The protection of the well-known mark without registration, which is an exception to the principle of formalism (*i.e.*, appropriation or acquisition of the right by registration), was accepted (and is binding on the member countries of the UCIP) by the Paris Convention of 1883 for the Protection of Industrial Property (art. 6 bis) and reaffirmed by the Agreement on Trade-Related Intellectual Property Rights (TRIPS).

Notoriety in trademark law is a relative and subjective concept because it is limited to the category of persons concerned/interested in a product or service and is demonstrable by any means of evidence, without there being a unit of measurement of the degree of knowledge, the overall lack of knowledge or ignorance of its existence by the „general public” not being grounds for non-recognition of the notoriety and the special protection regime.

The well-known trade mark and the special protection regime in relation to the ordinary trademark regime are characterised by:

- the mode of appropriation, which is one of occupation and declarative, the notoriety which justifies the protection of the trade mark in the absence of registration being the manifestation of a *de facto* power constituting possession with all its effects;
- notoriety and the special protection regime are not conditional on the fulfilment of the conditions required of registered trademarks, the important thing being that the public concerned/interested public is aware of it and perceives it as such, but it is conditional on its actual use;
- notoriety is acquired over time through use, the quality of the products and/or services they cover and the publicity they receive;
- until the sign used as an unregistered trade mark becomes well known, in so far as an identical or similar sign for identical or similar goods is already registered even after the use of the sign which aspires to the status of a well-known trade mark, the proprietor of the registered trade mark may apply for and obtain a prohibition on the use of the sign which is not well known, the moment of becoming well known (which is difficult or even impossible to determine precisely) being the moment which confers special protection on the well-known trade mark;
- ambiguous protection regime (favourable but also unfavourable) characterised by:
  - the fact that the protection it enjoys creates unavailability and constitutes a (relative) obstacle to the registration of a sign identical with the well-known mark for identical goods and/or services;
  - protection as a well-known trade mark creates unavailability and constitutes grounds for relative refusal of registration for signs which, because of their identity with or similarity to the earlier well-known trade mark and the identity or similarity of the goods and/or services which the later sign applied for and the well-known trade mark are intended to cover, may create a likelihood of confusion in the mind of the public, including a likelihood of association between the later sign and the earlier well-known trade mark;
  - the possibility of invoking the well-known trade mark (the recognised rights) in the appeal against opposition to registration and in the action for cancellation, which are recognised by the law on trademarks for any „interested person”;
  - the exclusion of protection of well-known trademarks by infringement proceedings, which are

reserved only for registered trademarks (there is, however, also the view that the proprietor of the well-known trade mark also has the right to bring infringement proceedings, and the view that unregistered well-known trademarks are not the subject of an intellectual property right and are protected exclusively by the ordinary law of civil liability, but the latter is contrary to treaty law);

- in the case of well-known trademarks, the degeneration, deceptiveness and/or uselessness cannot be exploited by the interested parties by means of an action for revocation, as this is a sanction which only affects registered trademarks.

But these vices can be contrasted as ones that challenge notoriety and, by implication, lack of protection as a well-known mark. Since a well-known mark is protected independently of registration, the person who claims the well-known nature of his mark, in order to be able to successfully oppose it against third parties, must prove both the use of the sign as a mark and its wide recognition within the segment of the public concerned/interested in the goods and/or services covered by it, because (in trade mark law) the well-known nature is not presumed, but must be proved by the person claiming it.

There are no absolute fixed and/or mandatory rules or prescriptions for the authority to prove and assess the notoriety of a mark, the law only provides illustrative criteria such as: the degree of knowledge of the mark by the relevant/interested public (and not by the public at large), the degree of initial or acquired distinctiveness of the sign during exploitation, the duration and extent of use and the geographical area of use, the duration and extent of advertising of the mark and the goods/services it covers, the existence/non-existence of identical or similar marks for identical or similar goods belonging to other persons, etc.

However, any means of evidence<sup>3</sup> may be used to establish and assess the reputation of a mark, including documents, information from public authorities or private law entities (*e.g.*, turnover, sales volume, distribution/marketing chains), surveys, market research, etc. A sign used as an unregistered trade mark which is well known in all EU Member States (assuming such knowledge exists) is not an EU trade mark, the right to such (EU) trade mark being obtained exclusively by registration, but a trade mark which is well known in the EU is also protected against the registration of subsequent signs as EU trade marks and a ground for opposing the registration of an identical or similar sign as an EU trade mark, even if the notoriety is limited to a single EU Member State.

A regional knowledge (at the level of a region of an EU member country), however, cannot be a well-known mark which is not available, with the effect of preventing the registration of an EU trade mark (but such an unregistered regional mark could still constitute grounds for opposition to registration in bad faith). From the point of view of the protection of rights, a well-known trade mark has an ambiguous regime, subject partly to special law (because it may create unavailability and may constitute a relative ground for refusal to register an identical or similar sign or, where appropriate, for opposition or cancellation of the registration of a subsequent trade mark) and partly to the ordinary law of tort and unfair competition.

In other words, the proprietor of a well-known trade mark may oppose the registration as a trade mark of a sign identical or similar to his earlier well-known trade mark and may request cancellation of the registration, but if the proprietor of an unregistered well-known trademark is infringed by a third party, his rights (recognised by the special law) are infringed, he will not have access to an action for infringement, since this is a means of protection only for exclusive industrial property rights conferred by a legal title of protection (in the case of a trade mark, a registration certificate), but only to an action in tort or an action for unfair competition. In the latter cases, the proprietor will be required to prove both the use of the sign as a trade mark and the notoriety of his mark.

#### 4. The reputed mark (mark with reputation)

**The mark with a reputation (reputed trade mark)** is as important a category in trade mark law as the well-known trade mark (perhaps even more important than the well-known trade mark, both qualitatively and quantitatively), but despite its importance and special status, it is not defined in either conventional or EU law, nor in national law (as in the case of the well-known mark), which merely states and refers to its essential characteristic, which is that it is also famous. The reputed trade mark is also similar to the well-known trade mark in that, on the basis of the reputation it enjoys, it is protected under special rules.

A reputed trade mark can be defined, as opposed to a well-known trade mark, as a registered trade mark which is well known to the public concerned/interested in the goods and/or services covered by it and which is appreciated for its quality, or, in short, as a registered trade mark which is famous and which enjoys protection going beyond the limits of its original registration, thereby rendering it unavailable for subsequent identical or

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<sup>3</sup> *Idem*, p. 103.

similar signs, regardless of whether the goods and/or services for which registration is sought are identical, similar or dissimilar, if the use without due cause (the use of the name or signs customary in the trade may constitute due cause) of such signs would take unfair advantage of the distinctive character or the repute of the mark (by carrying on business in the vicinity of the famous mark, and transferring the image of the famous mark to the goods/services of the third party with parasitic behaviour, or would be detrimental to the famous mark<sup>4</sup>.

The protection of trade marks with a reputation is extended against any other identical or similar signs which would be used for purposes other than to distinguish goods and/or services such as domain names and companies, if the use of such signs without due cause is likely to create unfair advantage to the user by taking unfair advantage of the distinctive character of the trade mark with a reputation or of its reputation or if the use would be liable to damage the reputation of the trade mark. The trade mark with a reputation is protected against the use of identical or similar signs covering identical, similar or dissimilar goods and/or services, irrespective of whether or not there is a likelihood of confusion and/or association.

The proprietor of a trade mark with a reputation has at his disposal, as a means of protecting his trade mark, opposition and cancellation proceedings. But if the reputation of the mark is the ground for opposition or for the application for cancellation of the registration, establishing that the earlier mark has a reputation and that the use is parasitic and/or detrimental to the reputation of the mark, or that it is such as to bring unfair advantage to the user by taking advantage of the distinctive character of the mark with a reputation, these are questions of fact to be proved and determined by the court<sup>5</sup>. Evidence may be used to prove the reputation by showing the degree of awareness of the mark, the degree of consumer satisfaction with the goods and/or services covered by the mark, the age of the mark, the amount of investment made in promoting the mark, any evidence being admissible (documents and information from legal entities, witness statements, surveys and market studies, etc.). The existence of a legitimate reason for the use by third parties of a sign identical or similar to a well-known mark must be demonstrated by the third party user.

### 5. Conditions for a finding of conflict with a reputed trade mark. Taking unfair advantage of the distinctive character or the reputation of the mark. Relevant case law of the courts of the European Union

What is of interest in the context of the application of the relative ground for refusal of registration based on art. 8(5) of Regulation no. 1001/2017 is the attempt to define the other two conditions necessary for the successful opposition of a trade mark, namely:

- the use of the mark of reputation in the sign filed for registration **without good cause**;
- generating an **unfair advantage** from the distinctive character or the reputation of the mark (which is an act of parasitism) or, where appropriate, **causing detriment to the distinctive character or the reputation of the earlier mark** by using it in the sign filed for registration (which is equivalent to a dilution of the attractive power of the mark)<sup>6</sup>.

The question of whether the use of the trade mark with a reputation is justified or not was decided by the Court of Justice in Case C-65/12 *Leidseplein Beheer and de Vries*, where the Court held that it may be considered to be *justified reason* for the use of the trade mark if the applicant for the subsequent sign proves that the sign was used prior to the application for registration as a trade mark and that its use for identical goods is *bona fide*; in such a case, the proprietor of a trade mark with a reputation may be obliged to tolerate the use of a similar sign by a third party. However, in order to determine whether that is the case, the national court must take into account in particular: the reputation and the spread of the sign in question among the relevant public; the degree of proximity between the goods and services for which that sign was originally used and the product for which the trade mark with a reputation was registered; and the economic and commercial relevance of the use of the sign similar to that mark for that product.<sup>7</sup> In the present case, the dispute before the referring court was between Leidseplein Beheer BV and Mr de Vries ('De Vries'), on the one hand, and Red Bull GmbH and Red Bull Nederland BV, on the other, the dispute being between De Vries and Red Bull Nederland BV concerning the production and marketing by De Vries of energy drinks in packaging bearing the sign 'Bull Dog' which, because of its similarity, is liable to be confused with Red Bull's registered trademarks.<sup>8</sup>

<sup>4</sup> M. Bohaczewski, *L'atteinte à la marque renommée*, Collection de CEIPI, no. 68, 2022, p. 69 ff.

<sup>5</sup> A.R. Bertrand, *op. cit.*, p. 101.

<sup>6</sup> *Idem*, p. 314.

<sup>7</sup> Judgment of 6 February 2014 in *Leidseplein Beheer and de Vries*, C-65/12, ECLI:EU:C:2014:49.

<sup>8</sup> By its question, the national court essentially sought to ascertain whether art. 5(2) of Directive 89/104 is to be interpreted as meaning that the use by a third party of a sign similar to a trade mark with a reputation for a product identical to that for which the trade mark is registered may be regarded as 'due cause' within the meaning of that provision where it is established that that sign was used prior to registration of the trade mark in question.

The types of damages which may be caused to the trade mark with a reputation and which must be found by the competent office or by the courts when applying art. 8(5) of EU trade mark Regulation (equivalent to art. 6(3)(a) of Law no. 84/1998) are of three kinds, the Court said in *Intel Corporation*, C-252/07, which raised the question of dilution of the reputation of the mark. They consist of detriment to the distinctive character of the earlier mark, detriment to the repute of that mark and taking unfair advantage of the distinctive character or the reputation of the earlier mark. The consequences of unlawful use of a sign identical or similar to a mark with a reputation may take the form of dilution, slow wear and tear, interference and passing off.<sup>9</sup> Thus, both the gaining of advantage and the detriment to the earlier mark with a reputation depend very much on how the later mark is used.

We believe that **dilution of the reputed mark** occurs when the reputed mark is used, for example, as a common noun or keyword in internet search engines, in which case the mark loses its distinctiveness, **slow attrition** occurs when the later mark is promoted more than the reputed mark, and promotion strategies make use of the reputation of the earlier mark, whereas **interference** with the mark with a reputation occurs when, even if different, the goods and/or services are marketed in the same place or in the same way, and **parasitism occurs when the** later mark can be confused with the mark with a reputation and, in this way, a transfer of the reputation or strong distinctive character from the earlier mark that is being parasitised to the later mark that is being parasitised occurs. All these are, finally, ways in which the reputation or, as the case may be, the distinctive character of the mark is damaged because there is a dispersion of the identity of the earlier mark and a diminishing of its influence on the public's perception, in particular when the earlier mark, which brings about an immediate association with the goods or services for which it is registered, is no longer capable of bringing about such an association<sup>10</sup>.

In practice, it has been held, for example, that intentionally aiming at the similarity of the later sign with the mark with a reputation by copying the colour of the later mark in such a way as to create an association between the two signs in the public's perception may constitute an act carried out for the purpose of taking advantage of the distinctive character and the repute of the earlier mark, and this fact must be taken into account in order to determine whether there is an unfair advantage in the distinctive character or the repute of the mark.<sup>11</sup>

In any event, there is an issue of detriment to the reputation of the earlier mark whenever there is at least a similarity between the earlier mark with a reputation and the later sign such as to lead the consumer to make a link between the two marks. In the case *Adidas-Salomon and Adidas Benelux* (C-408/01), the Court of Justice held that it is sufficient that the degree of similarity (visual, aural or conceptual) between the earlier mark with a reputation and the later sign has the effect of establishing a link between them on the part of the relevant public, without there being a likelihood of confusion.<sup>12</sup>

The existence of such a link must, however, be assessed globally, taking into account all the relevant factors in the case, such as: the degree of similarity between the conflicting marks; the nature of the goods or services for which each of the conflicting marks is registered, including the degree of similarity or distinctiveness of those goods or services, and the relevant public; the strength of the reputation of the earlier mark; the degree of distinctiveness, inherent in or acquired through use, of the earlier mark; and even the existence of a likelihood of confusion in the mind of the public (although the law does not expressly provide for this).<sup>13</sup>

However, the protection of the trademark is not absolute, as already stated. Reinforcing the fact that the existence of an infringement of a trade mark's reputation must be assessed on a case-by-case basis, the Court of Justice pointed out in *Intel Corporation* (C-252/07) that: *1) the earlier mark enjoys a wide reputation for certain categories of specific goods and services; 2) those goods or services and the goods or services for which the later mark is registered are not similar or substantially similar; 3) the earlier mark is unique in relation to any goods or services; and 4) that in the mind of the average, reasonably well-informed and reasonably observant and circumspect consumer the later mark evokes the reputed earlier mark is not sufficient to prove that, through the use of the later mark, the owner takes or would take unfair advantage of, or that use is or would be detrimental to, the distinctive character or the repute of the earlier mark within the meaning of art. 4(4)(a) of Directive*

<sup>9</sup> Judgment of 27 November 2008, *Intel Corporation*, C-252/07, ECLI:EU:C:2008:655, para. 27.

<sup>10</sup> *Idem*, para. 29.

<sup>11</sup> Judgment of 12 July 2012, *L'Oréal and Others*, C-324/09, ECLI:EU:C:2011:474, para. 48. In the same judgment, the Court also stated, with regard to the unlawful use of a trade mark with a reputation, that the Court has already held that where a third party seeks, by using a sign identical with, or similar to, a trade mark with a reputation, to place himself in the context of its image in order to benefit from its power of attraction, reputation and prestige, and to exploit, without any financial compensation and without having to make any effort of his own in that regard, the commercial effort of the proprietor of the trade mark to create and maintain the image of that mark, the profit resulting from that use must be regarded as unfairly deriving from the distinctive character or the repute of that mark. (para. 49).

<sup>12</sup> Judgment of 23 October 2003, *Adidas-Salomon and Adidas Benelux*, C-408/01, ECLI:EU:C:2003:582.

<sup>13</sup> Judgment of 27 November 2008, *Intel Corporation*, C-252/07, ECLI:EU:C:2008:655, para. 41-42.



**89/104.**

On the other hand, as regards the **burden of proof** in relation to the damage caused to the proprietor of the mark with a reputation, the case-law of the Court of Justice of the European Union has also held that the proprietor of the mark with a reputation is not required to prove the existence of actual and present damage to his mark. Where it is foreseeable that such damage will result from the use which the proprietor of the later mark may make of his mark, the proprietor of the earlier mark is not obliged to wait for the actual occurrence of such damage before applying for a prohibition of that use.<sup>14</sup> In such a case, the proprietor of the earlier trade mark will, however, have to indicate the existence of elements which make it possible to establish a serious risk that such an infringement will occur in the future.<sup>15</sup>

Where, however, the proprietor of the earlier mark has succeeded in establishing either the existence of actual and present injury to his mark or a serious risk of such injury occurring in the future, it is for the proprietor of the later mark to establish that the use of that mark is justified.<sup>16</sup>

In Case C-690/17 *ÖKO-Test Verlag*, the Court of Justice was quite explicit when the question of trade mark protection was raised: the proprietor of a trade mark with a reputation consisting of a test certificate is entitled to prevent a third party from affixing an identical or similar sign to goods other than those for which the earlier trade mark is registered if the third party is in a position to obtain unfair advantage from the distinctive character or the repute of the earlier trade mark or if it is detrimental to the distinctive character or the repute of the earlier trade mark and the third party has been unable to prove the existence of a proper reason.<sup>17</sup>

Most recently in *Ace of spades v EUIPO - Krupp and Borrmann* (JC JEAN CALL Champagne ROSÉ), T-620/19,<sup>18</sup> *Ace of spades v EUIPO - Krupp and Borrmann* (JC JEAN CALL Champagne GRANDE RÉSERVE), T-621/19<sup>19</sup> and *Ace of spades v EUIPO - Krupp and Borrmann* (JC JEAN CALL Champagne PRESTIGE), T-622/19<sup>20</sup> The General Court dismissed the appellant's appeal on the ground that it had not provided proof of the reputation enjoyed by the earlier marks and, in the absence of such proof, the ground for refusal laid down in art. 8(8)(b) of Regulation no. 40/94 was not applicable. (5) of the Regulation cannot be upheld.

Although the General Court pointed out that, when it comes to assessing the reputation of a trade mark in the European Union, it is possible to take into account the percentage of the relevant public who are aware of the mark in question, and not the percentage of the population in general, the Court held that the information relating to the mark Armand de Brignac is not relevant, the information relating to a score of 98 points from a Spanish critic and the information relating to the ranking of that drink in first place following a 'blind' tasting of 1 000 bottles of drinks relates entirely to the quality of the product marketed and is not such as to show that the earlier marks have a reputation in the European Union. Moreover, the very fact that the blind tasting took place tends to show that the previous marks did not contribute to the ranking result indicated.

One of the cases that particularly caught our attention is the one in which Apple Inc. opposed the registration of a figurative mark by Macau, China-based Pear Technologies Ltd. The conflicting marks are represented as follows:

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<sup>14</sup> Judgment of 27 November 2008, *Intel Corporation*, C-252/07, ECLI:EU:C:2008:655, para. 38-39.

<sup>15</sup> *Idem*, para. 38.



<sup>16</sup> *Idem*, para. 39.

<sup>17</sup> Judgment of 11 April 2019, *ÖKO-Test Verlag*, C-690/17, ECLI:EU:C:2019:317.

<sup>18</sup> Judgment of 9 December 2020, *Ace of spades v. EUIPO - Krupp and Borrmann* (JC JEAN CALL Champagne ROSÉ), T-620/19 ECLI:EU:T:2020:593.

<sup>19</sup> Judgment of 9 December 2020, *Ace of spades v. EUIPO - Krupp and Borrmann* (JC JEAN CALL Champagne GRANDE RÉSERVE), T-621/19, ECLI:EU:T:2020:595.

<sup>20</sup> Judgment of 9 December 2020, *Ace of spades v. EUIPO - Krupp and Borrmann* (JC JEAN CALL Champagne PRESTIGE), T-622/19, ECLI:EU:T:2020:594.

Earlier trademark with reputation	Sign submitted for registration
	

The mark applied for by Pear Technologies was filed for registration for goods in classes 9, 35, 42 within the meaning of the Nice Agreement, including computers, tablets and other similar goods. Apple Inc. filed an opposition to the registration of this mark, based on both art. 8(1)(b) of the Trade Mark Regulation (likelihood of confusion) and art. 8(5) of the Regulation (conflict with an earlier mark with a reputation). Initially, both the Opposition Division and the Board of Appeal of the EUIPO found the opposition to be well founded on the basis of art. 8(5) of the Regulation.

The case is of particular importance in the light of the different view of the General Court of the European Union, given that the trade marks in question have a figurative element as their main element and the earlier mark not only enjoys a reputation but is even well known. Thus, the General Court held in Case T-215/17 Pear Technologies v. EUIPO - Apple (PEAR) that the examination of the similarities between the two marks must be carried out by reference to the overall visual impression created by the mark and, that being so, it must be found that the two marks differ both visually and phonetically, which is why the precondition required by art. 8(5) of Regulation is not fulfilled.

With regard to visual similarity, the General Court noted that the mark applied for is composed of several figurative elements, including a 'pear'. Among the figurative elements, it is possible to note a number of squares with rounded corners, black in colour and of different sizes, positioned in such a way that the public perceives the shape of a pear as a whole, and a rectangle with rounded corners which is placed above the pear, inclined at an angle of approximately 45 degrees, which may be perceived as the pear's tail. Also, the verbal element 'pear' is written in grey capitals in a distinctive font and is placed below the figurative element.<sup>21</sup>

Although the word element 'pear' is smaller than the representation of the fruit in the figurative element, the General Court held that it cannot escape the attention of the relevant public and is therefore not a negligible element in the sign filed for registration as a trade mark, since it is large enough for the relevant public to notice it at first sight, which is reinforced by the fact that the word element is written in capital letters, in grey and in a special font. In those circumstances, the Court observed, the word element of the sign applied for contributes to the formation of the image of the mark which the relevant public will remember.

As regards the overall impression given by the earlier mark, the General Court held that it is a figurative mark consisting of two figurative elements in black, the first in the shape of an apple, with a semicircular part missing on the right-hand side which gives the image of an apple which has been bitten off. The second element, placed above and in the centre of the first, is represented by a sharp elliptical shape, inclined to the right at an angle of about 45 degrees. Viewed as a whole, the earlier mark will therefore be perceived by the relevant public as representing an apple tree which has been bitten off with a leaf on top. The General Court therefore concluded that the shapes of the marks in question are visually very different, as are the shapes of the fruit they represent, especially as the earlier mark represents a fruit that has been bitten into, whereas the sign applied for represents a whole fruit without any trace of bite.




As regards conceptual similarity, the General Court held, first, that the images evoked by the two marks at issue may be regarded as having different meanings because they 'evoke' two different types of fruit. However, the fact that two marks use images of different objects does not, in itself, prevent the marks, at least in part, because of other factors, from being similar in their semantic content. In the present case, however, the General Court held that the mere fact that the two images have in common the fact that they are fruits, and the fact that in real life they share common features, is not sufficient for a finding of conceptual similarity.<sup>22</sup>

Finally, another case study that particularly caught our attention and which I must mention at the end of

<sup>21</sup> Judgment of 31 January 2019, Pear Technologies v. EUIPO - Apple (PEAR), T-215/17, ECLI:EU:T:2019:45, para. 30, 31, 33, 37.

<sup>22</sup> *Idem*, para. 66-76.

this subsection concerns the reputation of the Louis Vuitton mark. It concerns the „twin” cases *Louis Vuitton Malletier v. EUIPO - Bee-Fee Group (LV POWER ENERGY DRINK)*, T-372/17<sup>23</sup> and *Louis Vuitton Malletier v. EUIPO - Fulia Trading (LV BET ZAKŁADY BUKMACHERSKIE)*, T-373/17<sup>24</sup>, in which the General Court annulled the decisions of the EUIPO Boards of Appeal, finding that art. 8(1)(b) of the EC Treaty applies to the case. (5) of the Regulation and, therefore, the right of the proprietor of the Louis Vuitton trademark to oppose the registration of trademarks containing the letters 'LV'. Initially, the Opposition Division of the EUIPO allowed the oppositions. For a better understanding, the conflicting marks are reproduced below:

Earlier trade mark with reputation	Signs submitted for registration
	
	

After carrying out a visual, phonetic and conceptual comparison of the conflicting marks, the General Court found that, at least for the English-speaking part of the relevant public, the signs in question, taken as a whole, are at least visually and phonetically at least moderately similar. Even assuming that they differ conceptually the marks are to be considered, as a whole, similar to an average degree and not 'at best very low' as the Board of Appeal held.

The General Court also held that the EUIPO had incompletely examined the reputation of the mark and distorted certain evidence. The General Court therefore remitted the case to the EUIPO Board of Appeal for a re-examination of the implications of art. 8(5) of the Regulation, given that although the Board of Appeal examined the possibility that the relevant public could establish a link between the marks in question, it based its analysis on an incorrect assessment of the similarity of the two marks.

We note that this case was heard by the Board of Appeal about two months before the previous case, which settled the conflict between the Apple and Pear Technologies trademarks, so the question arises whether the annulment of the Board of Appeal's decision in the Louis Vuitton case influenced the decision in the Apple/Pear Technologies case, at least at a subjective level, since: in the case in which protection of the Louis Vuitton reputed trademark was sought, the EUIPO removed the incidence of art. 8 (5) of the Regulation and the General Court annulled that decision, and two months later, the EUIPO held the same provision to apply to the Apple trademark and the General Court annulled that decision on the ground that the Apple and Pear Technologies marks were not in conflict. What we do know, however, is that the EUIPO attaches great importance to the case law of the General Court and the Court, regularly publishing bulletins with the latest case law of the two courts.

## 6. Conclusions

A well-known trade mark is protected for the goods and services to which it applies, independently of registration, and is an exception to the rule of the attributive system of protection (formalistic or priority of registration), whereas a trade mark with a reputation is also protected for goods and/or services for which it has not been registered when its use, without due cause, gives rise to unfair advantage or detriment to a third party by reason of the distinctive character or the repute which it has acquired, thus constituting an exception to the principle of trade mark speciality, according to which trade mark protection is limited to the goods and/or services for which it has been registered.

Applying the rule of interpretation *exceptio est strictissimae interpretationis*, given that the law offers a

<sup>23</sup> Judgment of 29 November 2018, *Louis Vuitton Malletier v. EUIPO - Bee-Fee Group (LV POWER ENERGY DRINK)*, T-372/17, ECLI:EU:T:2018:851.

<sup>24</sup> Judgment of 29 November 2018, *Louis Vuitton Malletier v. EUIPO - Fulia Trading (LV BET ZAKŁADY BUKMACHERSKIE)*, T-373/17, ECLI:EU:T:2018:850.

broader protection to registered reputed marks and well-known marks are not registered marks (they enjoy protection without being registered in Romania), we believe that reputed marks cannot be subject to the exception from the principle of speciality, similar to well-known marks. Basically, in the case of a reputed mark, what is protected is the „reputation” of the mark from parasitism by competitors, without extending protection to goods and/or services other than those for which the mark has been registered, whereas in the case of a well-known mark, reputation has the effect of extending protection to the mark. Such a choice on the part of the legislature is understandable, from the point of view of the principle of legal certainty, given that the existence of an appropriation of the well-known mark cannot be verified in the trade mark register.

The proprietor of a well-known trade mark may oppose the registration as a trade mark of a sign identical or similar to his earlier well-known trade mark and may request cancellation of the registration, but if the proprietor of an unregistered well-known trademark is infringed by a third party, his rights (recognised by the special law) are infringed, he will not have access to an action for infringement, since this is a means of protection only for exclusive industrial property rights conferred by a legal title of protection (in the case of a trade mark, a registration certificate), but only to an action in tort or an action for unfair competition. In the latter cases, the proprietor will be required to prove both the use of the sign as a trade mark and the notoriety of his mark.

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